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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

LIAM ANDERSON, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

TAIHEIYO CORPORATION, a California
corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 24STCV25277

*[Assigned for All Purposes to the Honorable
Timothy P. Dillon, Dept. 15]*

**PLAINTIFF'S NOTICE OF MOTION AND
MOTION FOR PRELIMINARY APPROVAL
OF CLASS ACTION AND PAGA
SETTLEMENT; MEMORANDUM OF
POINTS AND AUTHORITIES**

Preliminary Approval Hearing:

Date: November 4, 2026

Time: 10:00 a.m.

Dept.: 15

Action Filed: September 30, 2024

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **PLEASE TAKE NOTICE** that on November 4, 2026, at 10:00 a.m., or as soon
3 thereafter as the matter may be heard in Department 15 of the Superior Court of California,
4 County of Los Angeles, located at 312 North Spring Street, Los Angeles, CA 90012, Plaintiff
5 Liam Anderson (“Plaintiff”) will and hereby does move this Court for an Order:

- 6 1. Granting preliminary approval of the proposed Class Action and PAGA Settlement
7 Agreement (“Settlement Agreement”);
8 2. Conditionally certifying the proposed Class for settlement purposes only;
9 3. Appointing Plaintiff as the Class Representative;
10 4. Appointing Wilshire Law Firm, PLC as Class Counsel;
11 5. Appointing Phoenix Class Action Administrative Solutions as the Administrator; and
12 6. Setting a final approval hearing date.

13 Pursuant to Code of Civil Procedure § 382 and California Rules of Court 3.769, *et seq.*,
14 this Motion is made on the grounds that the proposed Settlement satisfies all criteria for
15 preliminary approval and falls well within the range of reasonableness. The Settlement was
16 reached through informed, arm’s length bargaining between experienced attorneys with the
17 assistance of an experienced neutral, and Plaintiff and Plaintiff’s Counsel will fairly and
adequately represent the Class.

18 This Motion is based on this Notice of Motion, the accompanying Memorandum of
19 Points and Authorities (“MPA”), the Declaration of Tyler J. Woods, the Declaration of Liam
20 Anderson, and on all records and documents on file, together with such oral and documentary
21 evidence that may be presented at the hearing on this matter.

22 Respectfully submitted,

23 Dated: September 16, 2026

WILSHIRE LAW FIRM, PLC

24 By: 
25 Tyler J. Woods
26 James Yoo
27 Heriberto Ponce
28 Ruby Carrera
Trenten N. Bilodeaux
Attorneys for Plaintiff

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Pursuant to Code of Civil Procedure § 382 and California Rules of Court 3.769, *et seq.*,
4 Plaintiff seeks preliminary approval of a class action settlement of wage and hour claims, including
5 representative claims brought under the Labor Code Private Attorneys General Act of 2004
6 (“PAGA”), against Defendant Taiheiyo Corporation (“Defendant”). The proposed Class is defined
7 as all current and former hourly, non-exempt employees who were employed by Defendant in the
8 State of California (“Class Members”) during the period from September 30, 2020, to December
9 31, 2025. (“Class Period”). The main terms of the Settlement are as follows:

- 10 1. A Gross Settlement Amount of \$700,000.00, from which the Net Settlement
11 Amount will be distributed to approximately 159 Class Members on a pro rata basis
12 according to the total workweeks worked by each Class Member during the Class
13 Period;
- 14 2. Attorneys’ fees of up to thirty-five (35%) of the Gross Settlement Amount (currently
15 \$245,000.00) and up to \$25,000.00 in reimbursement of litigation costs to Plaintiff’s
16 Counsel;
- 17 3. A Class Representative Service Payment of up to \$10,000.00 to Plaintiff;
- 18 4. Costs of settlement administration of up to \$10,000.00; and
- 19 5. Allocation of \$70,000.00 to PAGA penalties, sixty-five percent (65%) of which
20 (\$45,500.00) will be paid to the Labor and Workforce Development Agency
21 (“LWDA”), and thirty-five percent (35%) of which (\$24,500.00) will be paid to all
22 current and former hourly, non-exempt employees who worked at least one pay
23 period for Defendant in California (“PAGA Employee”) during the period from
24 April 1, 2024, to December 31, 2025 (“PAGA Period”).

25 The Settlement meets all criteria for preliminary approval and falls within the range of
26 reasonableness given the risks and expenses of further litigation. The Settlement was reached
27 through informed, arm’s length bargaining between experienced attorneys with the assistance of
28 an experienced neutral. As such, Plaintiff requests that the Court grant preliminary approval of the

Settlement, conditionally certify the Class for settlement purposes only, appoint Plaintiff as the Class Representative, appoint Plaintiff's Counsel as Class Counsel, appoint Phoenix Class Action Administrative Solutions ("Phoenix") as the Administrator, authorize the Administrator to administer notice of the Settlement to the Class, and set a final approval hearing date.

II. PROCEDURAL HISTORY

On September 30, 2024, Plaintiff filed this putative class action against Defendant alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) conversion; and (9) unfair business practices ("Class Action"). Declaration of Tyler J. Woods in Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement ("Woods Decl.") at ¶ 3.

On April 1, 2025, Plaintiff provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support. Woods Decl. at ¶ 4, Exhibit 1. The LWDA did not notify Plaintiff that it intended to investigate within 65 days of this written notice. *Id.* Therefore, on September 15, 2026, Plaintiff filed a First Amended Complaint in this Class Action adding a cause of action for civil penalties under PAGA. *Id.*

On October 4, 2025, the Parties participated in a private mediation with Monica Ngo-Bonnici. *Id.* at ¶ 5. The mediator made a proposal, which was accepted by the Parties. *Id.* The Parties negotiated the terms of the Settlement over the next several months, which was finalized on August 24, 2026. *Id.* at ¶ 6, Exhibit 2. On September 16, 2026, Plaintiff submitted a copy of the Settlement Agreement to the LWDA. *Id.* at ¶ 7, Exhibit 3.

III. SUMMARY OF THE SETTLEMENT TERMS

A. Terms of the Proposed Settlement

The Parties have agreed to settle the claims alleged in this case for a Gross Settlement Amount of \$700,000.00. Settlement Agreement at § 3.1. Subject to Court approval, the following payments will be deducted from the Gross Settlement Amount: (1) a Class Representative Service

1 Payment of up to \$10,000.00 to Plaintiff; (2) attorneys' fees of up to thirty-five (35%) of the Gross
2 Settlement Amount (currently \$245,000.00) and reimbursement of litigation costs of up to
3 \$25,000.00 to Plaintiff's Counsel; (3) costs of settlement administration of up to \$10,000.00 to
4 Phoenix; (4) Individual Class Payments to Class Members; and (5) PAGA Penalties in the amount
5 of \$70,000.00, which will be allocated 65% to the LWDA (\$45,500.00) and 35% to Aggrieved
6 Employees (\$24,500.00). *Id.* at § 3.2 *et seq.* After all requested deductions are made, the remaining
7 Net Settlement Amount is currently estimated to be \$340,000.00.

8 Individual Class Payments will be calculated based on the number of Workweeks worked
9 by each Class Member during the Class Period. *Id.* at § 3.2.4. For tax purposes, the Individual
10 Class Payments will be allocated 15% to wages and 85% to interest and statutory penalties. *Id.* at
11 § 3.2.4.1. Defendant will separately pay employer payroll taxes owed on the wage portions of the
12 individual class payments separate from the Gross Settlement Amount. *Id.* at § 3.1.

13 Individual PAGA Payments to PAGA Employees will be calculated based on the number
14 of PAGA Pay Periods worked by each PAGA Employee during the PAGA Period. *Id.* at § 3.2.5.1.
15 For tax purposes, the individual PAGA payments will be allocated 100% to penalties. *Id.*

16 Any deductions not approved by the Court will be retained by the Administrator in the Net
17 Settlement Amount. *Id.* at §§ 3.2.1, 3.2.2, 3.2.3, 3.2.5. Funds from any uncashed checks will be
18 transmitted by the Administrator to the California Controller's Unclaimed Property Fund in the
19 name of the Class Member. *Id.* at § 4.3.4. None of the Gross Settlement Amount will revert to
20 Defendant. *Id.* at § 3.1.

21 **B. Proposed Settlement Administration**

22 The Parties' proposed Class Notice complies with the requirements of California Rules of
23 Court, Rule 3.766(d). *See* Exhibit A to Settlement Agreement. It provides information regarding
24 the nature of this lawsuit, a summary of the settlement terms, the formula used for calculating
25 individual class and PAGA payments and instructions to dispute the calculations, instructions on
26 how to opt-out of or object to the Settlement, the date, time, and location of the final approval
27 hearing, and the amounts sought for the class representative service payment, attorneys' fees and
28 litigation costs, and settlement administration costs. *See generally, id.* The Class Notice also

1 notifies Class Members that they do not need to submit a claim in order to participate in the
2 Settlement and receive a payment. *See id.* The Administrator will mail Class Members the Class
3 Notice by first-class mail in English and in Spanish. Settlement Agreement at § 7.4.3. The Class
4 Notice will also by first-class mail in Japanese.

5 If a Class Notice is returned as undeliverable, the Administrator will re-mail the Class
6 Notice within five (5) calendar days to the forwarding address provided by the U.S. Postal Service.
7 Settlement Agreement at § 7.4.4. If no forwarding address is provided, the Administrator will
8 conduct a Class Member Address Search and re-mail the Class Notice to the most current address
9 obtained. *Id.* The deadline to opt-out of the Settlement or to submit an objection or dispute will be
10 extended by fourteen (14) calendar days for all Class Members whose Class Notice was remailed.
11 *Id.* at §7.4.5.

12 **C. Proposed Release**

13 Effective on the date when Defendant fully funds the Gross Settlement Amount and all
14 employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff,
15 Class Members, and Class Counsel will release claims against all Released Parties as follows:

16 Release by Participating Class Members:

17 All Participating Class Members, on behalf of themselves and their respective former and present
18 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the
19 Released Parties from all claims arising during the Class Period that were alleged, or reasonably
20 could have been alleged, based on the facts and allegations in the Operative Complaint, including
21 (“Released Class Claims”):

22 (i) failure to pay minimum wages, contractual straight-time wages, and wages at the proper
23 regular rate of pay for all work performed; (ii) failure to pay wages for off-the-clock work;
24 (iii) failure to pay all overtime and double time wages (including failure to pay overtime,
25 double time, meal/rest premiums, and/or sick time wages at the correct regular rate of pay);
26 (iv) failure to provide compliant meal periods; (v) failure to provide compliant rest periods;
27 (vi) failure to pay premiums (or correct premiums) for non-compliant meal and rest periods;
28 (vii) failure to pay sick pay; (viii) failure to include bonuses or other incentive
compensation in the regular rate of pay calculation or to weight wage rates properly when
calculating the regular rate of pay, bonus, and incentive pay; (ix) failure timely to pay wages
due at termination and during employment; (x) failure to provide accurate, itemized wage
statements; (xi) failure to pay employees two times per month or timely during

employment; and (xii) all claims under Labor Code sections 201, 202, 203, 204, 210, 221, 226, 226(a), 226(b), 226(e), 226(h), 226.3, 226.7, 227.3, 246, 510, 512, 512(a), 551, 552, 558, 1030, 1031, 1032, 1033, 1034, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2801, and 2802, as well as claims for unfair competition/unfair business practices under the Unfair Competition Laws, Business & Professions Code sections 17200, et seq. based on any of the foregoing alleged failures/claims. (“Released Class Claims”)

Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers’ compensation or claims based on events occurring outside the Class Period.

Settlement Agreement at §§ 5.2., 5.2.1., 5.2.2.

Release by PAGA Employees:

All PAGA Employees, including Non-Participating Class Members who are PAGA Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors, and assigns, the Released Parties from all claims for civil penalties under the California Private Attorneys General Act of 2004 (“PAGA”), Labor Code sections 2698 et seq., arising during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint and the PAGA Notice (“Released PAGA Claims”):

(i) failure to pay minimum wages, contractual straight-time wages, and wages at the proper regular rate of pay for all work performed; (ii) failure to pay wages for off-the-clock work; (iii) failure to pay all overtime and double time wages (including failure to pay overtime, double time, meal/rest premiums, and/or sick time wages at the correct regular rate of pay); (iv) failure to provide compliant meal periods; (v) failure to provide compliant rest periods; (vi) failure to pay premiums (or correct premiums) for non-compliant meal and rest periods; (vii) failure to pay sick pay; (viii) failure to include bonuses or other incentive compensation in the regular rate of pay calculation or to weight wage rates properly when calculating the regular rate of pay, bonus, and incentive pay; (ix) failure timely to pay wages due at termination and during employment; (x) failure to provide accurate, itemized wage statements; (xi) failure to pay employees two times per month or timely during employment; and (xii) all claims under Labor Code sections 201, 202, 203, 204, 210, 221, 226, 226(a), 226(b), 226(e), 226(h), 226.3, 226.7, 227.3, 246, 510, 512, 512(a), 551, 552, 558, 1030, 1031, 1032, 1033, 1034, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2801, 2802, and 2699.

Settlement Agreement at § 5.3., 5.3.1.

Only Plaintiff will agree to a general release and a waiver of Civil Code § 1542. Settlement

1 Agreement at §§ 5.1, 5.1.1.

2 **IV. THE PROPOSED SETTLEMENT AGREEMENT MEETS ALL CRITERIA FOR**
3 **PRELIMINARY APPROVAL**

4 **A. Provisional Certification of the Class is Appropriate**

5 Class certification is appropriate when there is: (1) an ascertainable and sufficiently
6 numerous class; (2) a well-defined community of interest among class members; and (3) substantial
7 benefits from certification that render proceeding as a class superior to the alternatives. *Brinker*
8 *Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1021 (2012). Although courts still need to
9 review and consider each element for certification, a lesser standard can be used to provisionally
10 certify a settlement class. *Global Minerals & Metals Corp. v. Superior Court*, 113 Cal.App.4th
11 836, 859 (2003).

12 **1. The Proposed Class is Numerous and Ascertainable**

13 “Ascertainability” is determined by examining the class definition and the size of the class
14 and may also involve examining the means available to identify class members. *Noel v. Thrifty*
15 *Payless, Inc.*, 7 Cal.5th 955, 980-981, 985-986 (2019). As the settlement eliminates the need for
16 trial, “the case management issues inherent in the ascertainable class determination need not be
17 confronted.” *Global Minerals*, 113 Cal.App.4th at 859. Further, under California law, there is no
18 minimum number of class members for maintenance of a class action. *Hendershot v. Ready to Roll*
19 *Transp., Inc.*, 228 Cal.App.4th 1213, 1222 (2014). Class sizes as small as 10 have been permitted.
20 *Rose v. City of Hayward*, 126 Cal.App.3d 926, 934 (1981), disapproved on other grounds by *Noel*,
21 7 Cal.5th at 986.

22 The Class here consists of all current and former hourly, non-exempt employees who were
23 employed by Defendant in the State of California during the Class Period. *See* Settlement
24 Agreement at § 1.5, 1.13. The Class is also readily ascertainable from Defendant’s business
25 records, because all Class Members are or were employees of Defendant. *Id.* Defendant’s records
26 show there are approximately 159 Class Members, making joinder of all Class Members
27 impracticable. Woods Decl. at ¶ 9.

28 ///

1 2. *A Well-Defined Community of Interest Exists*

2 The community of interest requirement embodies three factors: (1) predominant common
3 questions of law or fact; (2) class representatives with claims or defenses typical of the class; and
4 (3) class representatives who can adequately represent the class. *Brinker*, 53 Cal.4th at 1021.

5 a. *Common Questions Predominate*

6 In determining whether common issues “predominate,” courts consider both plaintiff’s
7 legal theories and defendant’s affirmative defenses. *Duran v. U.S. Bank Nat’l Ass’n*, 59 Cal.4th 1,
8 28-29 (2014). The “predominate common questions” factor does not require that all class members
9 have identical claims. *Ayala v. Antelope Valley Newspapers, Inc.*, 59 Cal.4th 522, 530 (2014).
10 Rather, the focus is on whether issues shared by the class members are sufficiently uniform to
11 permit class-wide assessment, and whether individual variations in proof on those issues are
12 manageable. *Id.*

13 Plaintiff has alleged that Defendant maintained common employment policies and/or
14 practices that unlawfully deprived Class Members of wages, meal periods, rest periods,
15 reimbursements for business expenses, accurate wage statements, and timely payment of wages
16 upon separation of employment. Woods Decl. at ¶ 10. These allegations present common factual
17 and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping,
18 pay, meal period, rest period, and reimbursement policies to all Class Members, whether these
19 policies and practices resulted in Labor Code violations, whether Defendant’s conduct was
20 intentional, and whether Class Members are entitled to damages and/or penalties. *Id.* These
21 common questions could be resolved using Class Members’ time records, payroll records,
22 testimony from Defendant’s designated representative(s), and Class Members’ testimony. *Id.*
23 Therefore, the Court can and should exercise its discretion to grant conditional class certification
24 for settlement purposes.

25 b. *Plaintiff is Typical of the Class*

26 Typicality does not require that the representative plaintiff’s claims and those of the class
27 members be identical or perfectly aligned. *Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224,
28 228 (2001), disapproved on other grounds by *Hernandez v. Restoration Hardware, Inc.*, 4 Cal.5th

260 (2018). Typicality does not require that a plaintiff's claims be identical to those of other class members, only that their claims and the defenses applicable to them are sufficiently similar to those of other class members that a named plaintiff is able to adequately represent the class and focus on common issues. *Medraza v. Honda of North Hollywood*, 166 Cal.App.4th 89, 99 (2008).

Plaintiff has alleged that he and Class Members were employed by the same Defendant and injured by Defendant's common wage and hour policies and practices, including Defendant's scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies. *See Woods Decl.* at ¶ 10. Through informal discovery, Plaintiff confirmed that these challenged policies and practices applied to Plaintiff and Class Members alike. *See id.* at ¶ 8. Therefore, Plaintiff's claims and Class Members' claims arise from the same challenged employment policies and practices and are based on the same legal theories.

c. Plaintiff and Plaintiff's Counsel Will Adequately Represent the Class

Certification requires adequacy of both the proposed class representative and of the proposed class counsel. Cal. Code Civ. Proc. § 382. "Only a conflict that goes to the very subject matter of the litigation will defeat a party's claim of representative status." *Richmond v. Dart Industries*, 29 Cal.3d 462, 470 (1981). Only conflicts that are "irreconcilable" can defeat adequacy. *Nat'l Solar Equip. Owners' Ass'n v. Grumman Corp.*, 235 Cal.App.3d 1273, 1286 (1991). The proposed representative Plaintiff and proposed Class Counsel present no such conflict.

Plaintiff's interests are coextensive with Class Members' interests. Declaration of Liam Anderson in Support of Plaintiff's MPA ("Anderson Decl.") at ¶ 6. Plaintiff has demonstrated an ability to advocate for the interests of Class Members by initiating this lawsuit, providing information to his attorneys, meeting with his attorneys regarding the claims, making himself available the day of mediation to answer questions, and reviewing the proposed Settlement. *Id.* at ¶ 11.

Likewise, Wilshire Law Firm has expended considerable time and effort on this case and will continue to do so through final approval. *See generally*, Woods Decl. Therefore, Plaintiff should be appointed Class Representative, and his counsel should be appointed Class Counsel.

///

1 **3. *A Class Action is Superior to a Multitude of Individual Lawsuits***

2 Courts have held that class treatment of wage and hour claims is clearly “superior to the
3 other available methods for the fair and efficient adjudication of the controversy.” *Dean Witter*
4 *Reynolds, Inc. v. Superior Court*, 211 Cal.App.3d 758, 772-773 (1989). This is so because “[p]ublic
5 policy has long favored the ‘full and prompt payment of wages due an employee.’” *Sav-On Drug*
6 *Stores, Inc. v. Superior Court*, 34 Cal.4th 319, 340 (2004). Here, a class action is superior to a
7 multitude of individual lawsuits. Given the size and amount of each Class Member’s claim, Class
8 Members have little incentive to litigate their claims on an individual basis because the out-of-
9 pocket expenses and personal commitment necessary to litigate each claim likely outweigh any
10 potential recovery. Woods Decl. at ¶ 9. Therefore, a class action is the superior method for seeking
11 relief.

12 **B. The Settlement Meets the Standards for Preliminary Approval**

13 The moving party must demonstrate that “the settlement is fair, adequate and reasonable.”
14 *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 126 (2008). “In determining whether a
15 class settlement is fair, adequate, and reasonable, the trial court should consider relevant factors,
16 such as the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further
17 litigation, the risk of maintaining class action status through trial, the amount offered in settlement,
18 the extent of discovery completed and the stage of the proceedings, the experience and views of
19 counsel, the presence of a governmental participant, and the reaction of the class members to the
20 proposed settlement.” *Wershba*, 91 Cal.App.4th at 244-245 (internal quotations and citations
21 omitted).

22 **1. The Settlement is Entitled to a Presumption of Fairness**

23 A settlement is entitled to “a presumption of fairness . . . where: (1) the settlement is reached
24 through arm’s length bargaining; (2) investigation and discovery are sufficient to allow counsel
25 and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the
26 percentage of objectors is small.” *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996).
27 The Settlement here satisfies the first three factors. Plaintiff will analyze the fourth factor at final
28 approval after Class Members have been notified of the Settlement and provided with an

1 opportunity to object.

2 *a. The Settlement is the Result of Arm's Length Negotiation*

3 Courts have recognized that the involvement of a respected mediator provides a high degree
4 of assurance that the settlement is the result of arm's length bargaining. *See Chavez v. Netflix, Inc.*,
5 162 Cal.App.4th 43, 52-53 (2008). The Settlement in this matter was the product of a full-day
6 mediation session with a respected mediator. Woods Decl. at ¶ 5. The negotiations were
7 adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the
8 interests of their clients. *Id.*

9 *b. Sufficient Investigation and Discovery Have Been Conducted*

10 Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims,
11 applicable law, and potential defenses. Woods Decl. at ¶ 8. Plaintiff's Counsel assessed the value
12 to the class claims using the data and documents that Defendant produced in informal discovery,
13 including class data providing the number of Class Members, the number of workweeks in the
14 Class Period, and the number of pay periods in the PAGA Period, Plaintiff's personnel
15 file/documents concerning Plaintiff, Defendant's employee handbook(s), Defendant's written
16 wage-and-hour policies, job descriptions, and a random sampling of time and payroll records. *Id.*

17 *c. Plaintiff's Counsel is Experienced in Similar Litigation*

18 Plaintiff is represented by Wilshire Law Firm, PLC. Woods Decl. at ¶ 21. Plaintiff's
19 Counsel has extensive experience litigating wage and hour class actions on behalf of employees.
20 *See id.* at ¶¶ 21-34. Plaintiff's Counsel has been involved as counsel in numerous class actions that
21 have resulted in millions of dollars in recovery. *See id.*

22 **2. *The Settlement is Reasonable Given the Strengths of Plaintiff's Claims***
23 ***and the Risks and Expense of Further Litigation***

24 A settlement does not have to provide 100% of the damages sought to be considered fair
25 and reasonable. *See Rebney v. Wells Fargo Bank*, 220 Cal.App.3d 1117, 1139 (1991). Although
26 the exposure Plaintiff's Counsel calculated is substantial, the various risks at succeeding at class
27 certification and through trial affected the valuation of the claims for settlement purposes. Woods
28 Decl. at ¶ 12.

1 Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage claims
2 were based on the allegation that Defendant required Class Members to perform work duties
3 while off the clock, without compensation. Woods Decl. at ¶ 12. For example, Plaintiff alleged
4 that Defendant required him and other Class Members to prepare for their shifts before clocking
5 in and communicate with supervisors after clocking out. *Id.* For purposes of calculating
6 Defendant's liability based on a best-case scenario for Plaintiff and the Class, Plaintiff's Counsel
7 assumed that all unpaid worktime should have been paid at the overtime rate of pay and
8 conservatively estimated that Defendant is liable for one (1) hour of unpaid worktime per
9 workweek. *Id.* This results in potential exposure for this claim of approximately \$426,087.00
10 (15,480 workweeks x \$18.35 average hourly rate of pay x 1 hour/workweek x 1.5 overtime rate).
11 Because this claim would have relied heavily on Class Member testimony and would not be
12 evidenced in Defendant's time and payroll records, the risk of succeeding at class certification and
13 trial was substantial. Accordingly, Plaintiff's Counsel applied a risk discount based on a 40%
14 chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits,
15 yielding a realistic damage estimate of approximately \$106,521.75 (\$426,087.00 x 50% x 50%).
16 Plaintiff's expert also revealed there as an additional \$77,325.00 in interest owed by Defendant,
17 increasing these realistic damages to \$183,846.75. *Id.*

18 1. Meal Periods: Plaintiff's meal period claim was based on the allegation that
19 Defendant failed to provide Class Members with legally compliant meal periods or pay meal period
20 premiums in lieu thereof. Woods Decl. at ¶ 13. For example, Plaintiff alleged that Defendant
21 required him and other Class Members to work through their meal periods due to workload size
22 and understaffing. *Id.* Additionally, Plaintiff's Counsel's expert consultant determined there was a
23 36.3% meal period violation (for shifts over 5 hours) rate from the sampling of Defendant's time
24 and payroll records, where meal periods were short, late, or missed. *Id.* Therefore, potential liability
25 for the meal period claim is approximately \$330,940.95 (49,683 shifts over 5 hours x \$18.35
26 average hourly rate x 36.3% violation rate). *Id.* After taking into account the difficulty of certifying
27 and proving meal period claims, as well as Defendant's contention that the claim lacks merit and
28 that a 36.3% violation rate is unrealistic, Plaintiff's Counsel discounted this figure based on a 50%

1 chance of succeeding at class certification and a 50% chance of succeeding at trial, yielding a
2 realistic damage estimate of approximately \$82,735.24 ($\$316,354.02 \times 50\% \times 50\%$). *Id.* Plaintiff's
3 expert also identified \$48,182.00 in interest owed on these damages, bringing the total realistic
4 maximum damages for meal periods to \$130,917.24. *Id.*

5 Rest Periods: Plaintiff's rest period claim was based on the allegation that Defendant failed
6 to provide Class Members with legally compliant rest periods or pay rest period premiums in lieu
7 thereof. Woods Decl. at ¶ 14. For example, Plaintiff alleged that Defendant required him and other
8 Class Members to work through their rests periods due to workload size and understaffing. *Id.*
9 Based on Plaintiff's allegations and Plaintiff's and other Class Members' experience working for
10 Defendant, Plaintiff's Counsel applied a 48% violation rate to all qualifying shifts during the Class
11 Period. Therefore, Defendant's potential liability for the rest period claim is approximately
12 \$535,667.33 (60,816 shifts of 3.5 hours or longer x \$18.35 average hourly rate x 48% violation
13 rate). However, Plaintiff's Counsel discounted this figure to account for the difficulty of certifying
14 and proving rest period claims, particularly because rest periods do not have to be recorded, and to
15 account for the possibility of Class Members voluntarily choosing to forego a rest period. *Id.*
16 Because this claim would have relied exclusively on Class Member testimony, Plaintiff's Counsel
17 discounted this claim based on a 50% chance of succeeding at class certification and a 50% chance
18 of succeeding at trial, yielding a realistic damage estimate of approximately \$133,916.84
19 ($\$535,667.33 \times 50\% \times 50\%$). Plaintiff's expert identified another \$87,117.00 in interest owed on
20 these damages, bringing the total realistic maximum damages for rest periods to \$221,033.84. *Id.*

21 2. Reimbursements: Plaintiff's reimbursement claim was based on the allegation that
22 Defendant failed to indemnify Class Members for expenses incurred as a direct result of performing
23 their job duties for Defendant, such as mandatory use of personal cell phones for work purposes.
24 Woods Decl. at ¶ 15. For purposes of calculating Defendant's liability based on a best-case scenario
25 for Plaintiff and the Class, Plaintiff's Counsel estimated that Defendant was liable to each Class
26 Member for \$20.00 per workweek in unreimbursed expenses, for a total amount of approximately
27 \$309,600.00 ($\$20.00 \times 15,480$ workweeks). *Id.* However, Defendant argued that these expenses
28 were not required by Defendant, and that it could not have known that these expenses were being

1 incurred. *Id.* Accordingly, Plaintiff's Counsel discounted this claim based on a 50% chance of
2 succeeding at class certification and a 50% chance of succeeding at trial, yielding a realistic
3 damage estimate of approximately \$77,400.00 (\$309,600.00 x 50% x 50%). Plaintiff's expert also
4 identified \$60,593.00 of interest owed on these damages, bringing the total realistic maximum
5 damages for reimbursements to \$137,993.00. *Id.*

6 In sum, Plaintiff's Counsel estimated that Plaintiff's maximum recovery for the off-the-
7 clock claim, meal period violations, and rest period violations (i.e., the wage claims) is
8 approximately \$1,292,695.28. Woods Decl. at ¶ 16. However, after factoring in the risk and
9 uncertainty of prevailing at certification and trial, Plaintiff's Counsel estimates that Plaintiff's
10 realistic estimated recovery for these non-penalty wage claims is approximately \$596,390.83. *Id.*

11 Derivative Penalties: Plaintiff alleged that as a result of Defendant's failure to pay all wages
12 owed, Defendant owed waiting time penalties and wage statement penalties. Woods Decl. at ¶ 17.
13 With respect to Plaintiff's derivative claims for statutory penalties, Plaintiff's Counsel estimated
14 that Defendant's maximum potential liability is approximately \$566,815.20. *Id.* Defendant's
15 maximum potential liability for waiting time penalties is approximately \$325,015.20 (82
16 employees x \$18.35 average hourly rate of pay x 7.2 hours/day x 30 days) based on approximately
17 82 formerly employed Class Members during the 3-year statute of limitations period and an
18 average shift length of 7.2 hours. *Id.* Defendant's maximum potential liability for inaccurate wage
19 statements is approximately \$241,800.00 ([90 employees x 1 initial violation/employee x \$50 for
20 an initial violation] + [(2,463 pay periods - 90 initial violations) x \$100 for each subsequent
21 violation]) based on approximately 90 Class Members who worked during the 1-year statute of
22 limitations period and approximately 2,463 pay periods in that statutory timeframe. *Id.* In light of
23 the foregoing, Plaintiff's Counsel believes that it would be unrealistic to expect the Court to award
24 the full \$566,815.20 in statutory penalties given Defendant's defenses, the contested nature of
25 Plaintiff's claims, the challenges of establishing willfulness as applicable, and the discretionary
26 nature of penalties. *Id.* Considering that the underlying wage claims are realistically estimated to
27 be approximately \$596,390.83, such a disproportionate award would also raise due process
28 concerns. *Id.* As such, Plaintiff's counsel discounted these figures to account for the risk and

1 uncertainty of obtaining class certification and prevailing at trial, resulting in a realistic evaluation
2 of approximately \$65,003.04 for waiting time penalty claims ($\$325,015.20 \times 50\% \times 40\%$), and
3 approximately \$48,360.00 for wage statement penalty claims ($\$241,800.00 \times 50\% \times 40\%$), or
4 approximately \$113,363.04 total for statutory penalties. *Id.*

5 PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendant's potential
6 exposure could reach \$246,300.00, assuming the initial \$100 penalty would apply for each of the
7 2,463 pay periods in the PAGA Period. Woods Decl. at ¶ 18. However, even assuming success on
8 the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of
9 reasons, including where to do otherwise would result in an award that is unjust, arbitrary and
10 oppressive, or confiscatory. *Id.* As such, Plaintiff's counsel discounted this figure to account for
11 the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately
12 \$49,260.00 for PAGA penalties ($\$246,300.00 \times 20\%$). *Id.* The settlement allocates \$70,000.00 of
13 the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 10% of the
14 Gross Settlement Amount and approximately 142% of the realistic maximum damages for PAGA
15 penalties ($\$49,260.00 / \$70,000.00$). *Id.*

16 Using these estimated figures, Plaintiff's Counsel predicted that the realistic maximum
17 recovery for all claims, including penalties, would be approximately \$836,413.87. Woods Decl.
18 at ¶ 19. This means that the gross settlement amount represents approximately 84% of the realistic
19 maximum recovery ($\$700,000.00 / \$836,413.87$). *Id.* Considering the risk and uncertainty of
20 prevailing at class certification and at trial, this is an excellent result for the Class. *Id.* Indeed,
21 because of the proposed Settlement, Class Members will receive timely, guaranteed relief and will
22 avoid the risk of an unfavorable judgment. *Id.*

23 Based on the figures in the Settlement Agreement, the Net Settlement Amount available for
24 class settlement payments is currently estimated to be \$340,000.00 for approximately 159 Class
25 Members. Woods Decl. at ¶ 20. As a result, each Settlement Class Member would be eligible to
26 receive an average net benefit of approximately \$2,138.36. *Id.* Based on the estimated Net
27 Settlement Amount available for individual class payments and there being approximately 15,480
28 workweeks in the Class Period, the estimated weekly valuation for Individual Class Payments is

1 \$21.96 (\$340,000.00/ 15,480 workweeks). *Id.*

2 **C. The Requested Service Payment is Reasonable**

3 Plaintiff seeks a Class Representative Service Payment of up to \$10,000.00 for accepting
4 the responsibilities of representing the interests of the Class and potential costs that were not borne
5 by any other Class Member. Settlement Agreement at § 3.2.1. A named plaintiff is eligible for
6 payment that reasonably compensates the plaintiff for undertaking and fulfilling a fiduciary duty
7 to represent absent class members. *See Cellphone Termination Fee Cases*, 186 Cal.App.4th 1380,
8 1393 (2010); *Bell v. Farmers Ins. Exch.*, 115 Cal.App.4th 715, 726 (2004).

9 Throughout this case, Plaintiff assisted counsel in providing information necessary to
10 prosecute the claims, meeting with counsel regarding the claims, maintaining regular contact with
11 counsel, making himself available the day of mediation to answer questions, and reviewing the
12 Settlement to ensure it was fair to the Class. Anderson Decl. at ¶ 11. No action would likely have
13 been taken by Class Members individually and no compensation would have been recovered for
14 them, but for Plaintiff's services on behalf of the Class. By actively pursuing this action, Plaintiff
15 furthered the California public policy goal of enforcing the State's wage-and-hour laws. *See Sav-*
16 *On*, 34 Cal.4th at 340. The requested Class Representative Service Payment is reasonable and
17 should be preliminarily approved. Plaintiff has provided a declaration regarding his work
18 performed to date and will provide additional information as requested or required by the Court at
19 final approval.

20 **D. The Requested Attorneys' Fees and Costs Are Reasonable**

21 The purpose of an attorneys' fee award in class action litigation is to reward counsel who
22 invested in a case despite the risk of non-payment and achieved a substantial positive result for the
23 class. California courts routinely award attorneys' fees equaling one-third or more of the potential
24 value of the common fund. *See Chavez*, 162 Cal.App.4th at 66, fn. 11 ("Empirical studies show
25 that, regardless of whether the percentage method or the lodestar method is used, fee awards in
26 class actions average around one-third of the recovery.").

27 Plaintiff seeks appointment of Wilshire Law Firm, PLC as Class Counsel. The attorneys
28 performed significant work and expended litigation costs in prosecuting this matter with no

1 guarantee of payment. Woods Decl. at ¶ 21. Plaintiff's Counsel seeks preliminary approval for up
2 to thirty-five (35%) of the Gross Settlement Amount in attorneys' fees, currently estimated to be
3 \$245,000.00, and up to \$25,000.00 in reimbursement of litigation costs. Given the work performed
4 in this matter, the extensive information exchange, and the substantial recovery obtained on behalf
5 of the Class, Plaintiff's Counsel achieved a settlement through efficient and diligent work. *See*
6 *generally*, Woods Decl. At final approval, Plaintiff's Counsel will fully brief the merits of its
7 request for the award of attorneys' fees and litigation costs.

8 **E. The Administration Costs Are Reasonable**

9 The Parties have agreed upon using Phoenix to administer this Settlement. Settlement
10 Agreement at §§ 1.2, 7.1. Plaintiff seeks preliminary approval of \$8,295.00 for Phoenix to
11 administer this Settlement pursuant to Phoenix's will-not-exceed bid. *See* Woods Decl. at ¶ 37.
12 The services covered by this payment are extensive and necessary to carry out the Settlement
13 administration.

14 **V. CONCLUSION**

15 The Parties have negotiated a fair and reasonable settlement of the class claims in light of
16 the risks presented in this case. Plaintiff has presented the materials and information necessary to
17 demonstrate that the requirements for preliminary approval have been met, and therefore
18 respectfully requests that the Court preliminarily approve the Settlement and schedule a date for
19 the final approval hearing.

20
21 Respectfully submitted,

22 Dated: September 16, 2026

WILSHIRE LAW FIRM, PLC

23
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